

EXECUTIVE SECRETARIAT

Routing Slip

TO:		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	EXDIR				
4	D/ICS				
5	DDI				
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7	DDO				
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9	Chm/NIC				
10	GC				
11	IG				
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13	D/EEO				
14	D/Pers				
15	D/OEA				
16	C/PAD/OEA				
17	SA/IA				
18	AO/DCI				
19	C/IPD/OIS				
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		SUSPENSE 1500, 3 June			
		Date			

Remarks: Any comments to me NLT 1500 3 June.
Negative report required.

Executive Secretary
2 June 82

Date

3637 (10-81)

THE WHITE HOUSE
WASHINGTON

82-5203

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CABINET AFFAIRS STAFFING MEMORANDUM

DATE: June 1, 1982 NUMBER: 065269 SC DUE BY: COB June 3
SUBJECT: FY 1982 Minority Business Goals

	ACTION	FYI		ACTION	FYI
ALL CABINET MEMBERS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Baker	<input type="checkbox"/>	<input type="checkbox"/>
Vice President	<input type="checkbox"/>	<input type="checkbox"/>	Deaver	<input type="checkbox"/>	<input type="checkbox"/>
State	<input type="checkbox"/>	<input type="checkbox"/>	Clark	<input type="checkbox"/>	<input type="checkbox"/>
Treasury	<input type="checkbox"/>	<input type="checkbox"/>	Darman (For WH Staffing)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Defense	<input type="checkbox"/>	<input type="checkbox"/>	Harper	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Attorney General	<input type="checkbox"/>	<input type="checkbox"/>	Jenkins	<input type="checkbox"/>	<input type="checkbox"/>
Interior	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Agriculture	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Commerce	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Labor	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
HHS	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
HUD	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Transportation	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Energy	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Education	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Counsellor	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
OMB	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
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UN	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
USTR	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
CEA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	CCCT/Gunn	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CEQ	<input checked="" type="checkbox"/>	<input type="checkbox"/>	CCEA/Porter	<input type="checkbox"/>	<input type="checkbox"/>
OSTP	<input checked="" type="checkbox"/>	<input type="checkbox"/>	CCFA/Boggs	<input type="checkbox"/>	<input type="checkbox"/>
SBA	<input type="checkbox"/>	<input type="checkbox"/>	CCHR/Carleson	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	CCLP/Uhlmann	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	CCNRE/Boggs	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

The attached paper has been developed by the Office of Policy Development. ~~It is being added to the Cabinet Council on Commerce and Trade agenda for Thursday, June 3.~~ ^{deleted} Please review the paper and provide any views you may have at the meeting or in writing to my office by COB Thursday. ^{me}

RETURN TO:

☒ Craig L. Fuller
Assistant to the President
for Cabinet Affairs
456-2823

☐ Becky Norton Dunlop
Director, Office of
Cabinet Affairs
456-2800


L-300

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

May 26, 1982

MEMORANDUM FOR: RICHARD G. DARMAN
FROM: WENDELL W. GUNN 
SUBJECT: FY 1982 Minority Business Goals

The Office of Policy Development recommends that the aggregate goal for federal procurement from minority firms for FY 1982 be increased in line with the growth in total federal procurement. This goal includes prime contracting, subcontracting and the 8(a) program. A detailed analysis by Dan Smith is attached, from which the following is taken:

For Fiscal Year 1982, a goal of \$3,702 million was established. This goal is 10 percent less than what was actually achieved in FY 1982 (\$4,112 million) and comes during a year when overall Federal procurement is expected to increase 6 percent. This information has not as yet been made public.

There is no justification for setting minority procurement goals at a level 10 percent below the level of the prior year when total procurement will be up 6 percent unless both of the following are true:

1. There is a genuine inability to meet a higher objective due to a relative paucity of capable minority contractors, and;
2. There are serious negative consequences associated with falling short of a procurement objective, once set.

Total minority procurement, including amounts granted under competitive bidding, is less than 2 percent of total procurement. Decreasing the objective brings no budget savings. Therefore, it would not only send a negative signal to the minority business community, but an unnecessary negative signal.

Since it is late in the fiscal year, prompt action is required. It is recommended that a Presidential memorandum, substantially in the form of the attached draft, be sent to department and agency heads, and that the SBA Administrator renegotiate the 1982 goals to a higher level.

cc: Ed Harper
Roger Porter
Dan Smith

THE WHITE HOUSE
WASHINGTON

DRAFT

MEMORANDUM FOR THE HEADS OF

DEPARTMENTS AND AGENCIES

SUBJECT: FY 1982 Minority Business Procurement Goals

Part of this Administration's commitment to the development of self-sustaining minority businesses is to ensure that the Federal government sets and attains goals for the utilization of these businesses through its own procurement programs. Public Law 95-507 requires the head of each Federal agency to establish such goals jointly with the Small Business Administration for the participation of minority businesses.

Federal procurement has been successful in accelerating the growth and development of many firms owned by black, Hispanic and other minority Americans. In addition to providing a broader source base for Federal procurement, this program should also challenge private corporations to likewise diversify their procurement activities to include minority firms. This latter effect is key because the private sector must remain the primary source of long-term economic growth and development.

In reviewing goals currently set by the agencies for doing business with minority firms for FY 1982, however, I see that we are not making the improvements in this program I consider appropriate, given the overall increase in Federal procurement we expect this year. I must, therefore, reaffirm this Administration's commitment to the development and encouragement of minority business.

In this regard, I have directed the Administrator of the SBA, Mr. Sanders, to contact all agency heads whose FY 1982 goals are not higher than those actual levels achieved in FY 1981. The goals for those agencies should be negotiated to a higher, more appropriate level.

In addition, I have asked the Secretary of Commerce to coordinate, through the Interagency Council on Minority Business Enterprise, future goal-setting with the Small Business Administration to ensure that such goals reflect the desired growth in minority business participation in Federal procurement activities.

THE PRESIDENT